



DEPARTMENT OF COMMERCE

International Trade Administration

[C-580-869]

Large Residential Washers from the Republic of Korea: Countervailing Duty Order

AGENCY: Import Administration, International Trade Administration, Department of Commerce

SUMMARY: Based on affirmative final determinations by the Department of Commerce (the Department) and the International Trade Commission (the ITC), the Department is issuing a countervailing duty order on large residential washers (washers) from the Republic of Korea (Korea).

EFFECTIVE DATE: [Insert Date of Publication in the Federal Register.]

FOR FURTHER INFORMATION CONTACT: Justin M. Neuman, AD/CVD Operations, Office 6, Import Administration, U.S. Department of Commerce, Room 7866, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-0486.

SUPPLEMENTARY INFORMATION:

Case History

In accordance with section 705(d) of the Tariff Act of 1930, as amended (the Act), on December 26, 2012, the Department published its final determination in the countervailing duty investigation of washers from Korea.¹ On February 8, 2013, the ITC notified the Department of its affirmative determination that an industry in the United States is materially injured within the

¹ See Large Residential Washers from the Republic of Korea: Final Affirmative Countervailing Duty Determination, 77 FR 75975 (December 26, 2012) (Final Determination).

meaning of section 705(b)(1)(A)(i) of the Act by reason of subsidized imports of washers from Korea.²

Scope of the Order

The products covered by this order are all large residential washers and certain subassemblies thereof from Korea.

For purposes of this order, the term “large residential washers” denotes all automatic clothes washing machines, regardless of the orientation of the rotational axis, except as noted below, with a cabinet width (measured from its widest point) of at least 24.5 inches (62.23 cm) and no more than 32.0 inches (81.28 cm).

Also covered are certain subassemblies used in large residential washers, namely: (1) all assembled cabinets designed for use in large residential washers which incorporate, at a minimum: (a) at least three of the six cabinet surfaces; and (b) a bracket; (2) all assembled tubs³ designed for use in large residential washers which incorporate, at a minimum: (a) a tub; and (b) a seal; (3) all assembled baskets⁴ designed for use in large residential washers which incorporate, at a minimum: (a) a side wrapper;⁵ (b) a base; and (c) a drive hub;⁶ and (4) any combination of the foregoing subassemblies.

Excluded from the scope are stacked washer-dryers and commercial washers. The term “stacked washer-dryers” denotes distinct washing and drying machines that are built on a unitary frame and share a common console that controls both the washer and the dryer. The term “commercial washer” denotes an automatic clothes washing machine designed for the “pay per use” market meeting either of the following two definitions:

² See Certain Large Residential Washers from Korea and Mexico, Investigation No. 701-TA-488 and 731-TA-1199-1200 (Final), U.S. ITC Publication 4378 (February 2013).

³ A “tub” is the part of the washer designed to hold water.

⁴ A “basket” (sometimes referred to as a “drum”) is the part of the washer designed to hold clothing or other fabrics.

⁵ A “side wrapper” is the cylindrical part of the basket that actually holds the clothing or other fabrics.

⁶ A “drive hub” is the hub at the center of the base that bears the load from the motor.

(1) (a) it contains payment system electronics;⁷ (b) it is configured with an externally mounted steel frame at least six inches high that is designed to house a coin/token operated payment system (whether or not the actual coin/token operated payment system is installed at the time of importation); (c) it contains a push button user interface with a maximum of six manually selectable wash cycle settings, with no ability of the end user to otherwise modify water temperature, water level, or spin speed for a selected wash cycle setting; and (d) the console containing the user interface is made of steel and is assembled with security fasteners;⁸ or

(2) (a) it contains payment system electronics; (b) the payment system electronics are enabled (whether or not the payment acceptance device has been installed at the time of importation) such that, in normal operation,⁹ the unit cannot begin a wash cycle without first receiving a signal from a bona fide payment acceptance device such as an electronic credit card reader; (c) it contains a push button user interface with a maximum of six manually selectable wash cycle settings, with no ability of the end user to otherwise modify water temperature, water level, or spin speed for a selected wash cycle setting; and (d) the console containing the user interface is made of steel and is assembled with security fasteners.

Also excluded from the scope are automatic clothes washing machines with a vertical rotational axis and a rated capacity of less than 3.70 cubic feet, as certified to the U.S.

Department of Energy pursuant to 10 CFR § 429.12 and 10 CFR § 429.20, and in accordance with the test procedures established in 10 CFR Part 430.

The products subject to this order are currently classifiable under subheading 8450.20.0090 of the Harmonized Tariff System of the United States (HTSUS). Products subject

⁷ “Payment system electronics” denotes a circuit board designed to receive signals from a payment acceptance device and to display payment amount, selected settings, and cycle status. Such electronics also capture cycles and payment history and provide for transmission to a reader.

⁸ A “security fastener” is a screw with a non-standard head that requires a non-standard driver. Examples include those with a pin in the center of the head as a “center pin reject” feature to prevent standard Allen wrenches or Torx drivers from working.

⁹ “Normal operation” refers to the operating mode(s) available to end users (i.e., not a mode designed for testing or repair by a technician).

to this order may also enter under HTSUS subheadings 8450.11.0040, 8450.11.0080, 8450.90.2000, and 8450.90.6000. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the merchandise subject to this scope is dispositive.

Countervailing Duty Order

As stated above, on February 8, 2013, in accordance with section 705(b)(1)(A)(i) of the Act, the ITC notified the Department of its final determination in this investigation, in which it found material injury with respect to washers from Korea.

Therefore, in accordance with section 706(a) of the Act, the Department will direct U.S. Customs and Border Protection (CBP) to assess, upon further instruction by the Department, countervailing duties equal to the amounts listed below for all relevant entries of washers from Korea. These countervailing duties will be assessed on unliquidated entries of washers from Korea entered, or withdrawn from warehouse, for consumption on or after June 5, 2012, the date of publication of the preliminary determination,¹⁰ and before October 3, 2012, the date on which the Department instructed CBP to discontinue the suspension of liquidation in accordance with section 703(d) of the Act. Section 703(d) of the Act states that the suspension of liquidation pursuant to a preliminary determination may not remain in effect for more than four months. Entries of washing machines from Korea made on or after October 3, 2012, and prior to the date of publication of the ITC's final determination in the Federal Register are not liable for the assessment of countervailing duties, due to the Department's discontinuation, effective October 3, 2012, of the suspension of liquidation.

Suspension of Liquidation

In accordance with section 706 of the Act, we will direct CBP to reinstitute the

¹⁰ See Large Residential Washers From the Republic of Korea: Preliminary Affirmative Countervailing Duty Determination and Alignment of Final Determination With Final Antidumping Determination, 77 FR 33181 (June 5, 2012).

suspension of liquidation on all relevant entries of washers from Korea. We will also instruct CBP to require cash deposits equal to the amounts indicated below. These instructions suspending liquidation will remain in effect until further notice. Accordingly, effective the date of publication of the ITC's final affirmative injury determination, CBP will require, at the same time as importers would normally deposit estimated duties on this subject merchandise, cash deposits equal to the amounts indicated below:¹¹

Company	Subsidy Rate
Daewoo Electronics Corporation	72.30 percent
Samsung Electronics Co., Ltd.	1.85 percent
All-Others Rate	1.85 percent

This notice constitutes the countervailing duty order with respect to washers from Korea pursuant to section 706(a) of the Act. Interested parties can find an updated list of countervailing duty orders currently in effect at <http://ia.ita.doc.gov/stats/iastats1.html>.

This countervailing duty order is issued and published in accordance with sections 705(c)(2) and 706 of the Act, and section 351.211 of the Department's regulations.

Paul Piquado
Assistant Secretary
for Import Administration

Dated: February 8, 2013.

[FR Doc. 2013-03626 Filed 02/14/2013 at 8:45 am; Publication Date: 02/15/2013]

¹¹ See Section 706(a)(3) of the Act. LG Electronics, Inc. (LG), a participating respondent in this investigation, received a final net subsidy rate of 0.01 percent *ad valorem*, which is *de minimis*. See *Final Determination*, 77 FR at 75977. As such, entries of subject merchandise produced by LG are not subject to this order.